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MISSILE TECHNOLOGY CONTROL REGIME COLLECTIVE  
AMEMBASSY KYIV

C O N F I D E N T I A L STATE 003691

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TAGS: [MTCRE](#) [KSCA](#) [PARM](#) [PREL](#) [MNUC](#) [ETTC](#) [TSPA](#) [UP](#) [BR](#)

SUBJECT: RESPONDING TO UKRAINIAN QUESTIONS CONCERNING USG  
SUPPORT FOR UKRAINIAN-BRASILIAN SLV JOINT VENTURE AT  
ALCANTARA (C)

REF: A. 08 BRASILIA 001652

[1](#)B. 05 STATE 141756 (AND PREVIOUS)

Classified By: ISN/MTR Director Pam Durham.  
Reason: 1.5 (B), (D).

[1](#)1. (U) This is an action request. Embassy Brasilia, please see paragraph 7.

[1](#)2. (C) BACKGROUND: REF A reports that the Ukrainian Embassy in Brasilia is urging the U.S. to reconsider its position on support for the Ukrainian-Brazilian Tsyklon Space Launch Project and allow the launch of U.S. satellites from Brazil's Alcantara launch site on the Tsyklon (Cyclone) launch vehicle. As noted REF B, the U.S. will not authorize the launch of U.S. satellites or foreign satellites with U.S.-licensed components from Alcantara until the U.S.-Brazil Technology Safeguards Agreement (TSA), which Brazil has yet to ratify, enters into effect. Additionally, while the U.S. is prepared to support the joint Ukrainian-Brazilian project once the U.S.-Brazil TSA becomes active, it does not support Brazil's indigenous space launch vehicle (SLV) program.

[1](#)3. (C) ADDITIONAL BACKGROUND FOR POSTS' INFORMATION ONLY: For several years, Brazil and Ukraine have been seeking to establish a launch facility for the Ukrainian Tsyklon (Cyclone) SLV at Alcantara. The two countries have signed an umbrella space agreement and a Technology Safeguards Agreement to facilitate this project, but neither country has had the funds needed to establish a Tsyklon launch facility. A key impediment to funding is the current inability to launch U.S. satellites (and non-U.S. satellites with U.S.-licensed components) from Alcantara.

[1](#)4. The U.S. currently does not permit launches of U.S. satellites or foreign satellites with U.S.-licensed components from Alcantara because of our longstanding policy not to "encourage" Brazil's SLV program (or other MTCR-country SLV programs the U.S. did not support before the advent of the Missile Technology Control Regime in 1987). However, in 1999 the U.S. decided that it would be prepared to permit such launches from Alcantara on Tsyklon (as well as on U.S. SLVs) if Brazil would conclude a TSA with the U.S. that would both protect against unauthorized technology transfer and provide a credible basis for the U.S. to maintain that permitting such launches would not "encourage" Brazil's own SLV program.

[1](#)5. Such a TSA was negotiated and signed in April 2000. Entry into force, however, required ratification by the Brazilian Senate (for the U.S., the TSA is an Executive Agreement), which refused to ratify the TSA, citing sovereignty concerns. In November 2003, Brazil indicated it was ready to initiate discussions with the U.S. on renegotiating the April 2000 TSA to address its Congress' concerns and permit ratification. Since then, Brazil has sporadically sought U.S. views on various informal renegotiation proposals. The latest such Brazilian effort occurred in September 2005, when the GOB asked whether the USG would be prepared to resolve certain issues by means of a mutually agreed public, unilateral declaration by the GOB.

We responded in November 2005 that we would be prepared to work on this basis, as long as the total TSA package preserves sufficient technical and legal safeguards, including on the political level, to address our proliferation concerns. We also indicated that if Brazil wished to pursue this issue, it should get back to us with a formal renegotiation request, including specifics on the wording of the unilateral declaration. Brazil has not raised the issue since that November 2005 discussion.

¶6. (C) PURPOSE/OBJECTIVE: In response to REF A request, we want to remind Ukrainian officials that the U.S. does not oppose establishing a Tsyklon launch site at Alcantara, as long as that activity does not result in the transfer of rocket technology to Brazil and that U.S. policy on support for this effort has not changed. Specifically, the U.S. will be prepared to permit Tsyklon to launch U.S. satellites, and foreign satellites with U.S. licensed components, from Alcantara once our bilateral TSA with Brazil enters into effect.

¶7. (C) ACTION REQUEST: Request Embassy Brasilia respond to Ukrainian Embassy queries concerning the Ukrainian-Brazilian space launch joint venture at Alcantara, making the following points:

--As we have discussed previously with your government, the U.S. will be prepared to support the Ukrainian-Brazilian space launch joint venture at Alcantara once our bilateral Technology Safeguards Agreement (TSA) with Brazil enters into effect.

--However, until the TSA becomes active, the U.S. will not/not be prepared to permit Tsyklon to launch U.S. satellites and foreign satellites with U.S.-licensed components from Alcantara.

--The TSA was signed in 2000, but Brazil has been unable to ratify it to date.

If pressed for further information on the status of our TSA with Brazil, post should urge Ukrainian officials to discuss the issue with their Brazilian partners.

NOTE: Embassy Kyiv may doubletrack this response with host government officials as appropriate. END NOTE.

¶8. (U) Washington POCs are ISN/MTR Director Pam Durham (Phone: 202-647-4931) and ISN/MTR Kennedy Wilson (Phone: 202-647-1747). Please slug any reporting on this issue for ISN/MTR and WHA/BSC.  
RICE

NNNN

End Cable Text